The WELL

Whole Earth Lectronic Link
27 Gate 5 Road, Sausalito, CA 94965-9976
415/332-6106 (modem); 415/332-4335 (voice)

June 3, 1992

To: Board of Directors
From: Cliff Figallo
Subject: Reforecast of 1992 Financials

Accompanying this letter are new financials for the WELL. Included are detailed actuals for the first four months of this year. Note that because of system malfunctions and the system upgrade which took place at the end of March/beginning of April, the lengths of our billing months varied from those of calendar months thus giving somewhat skewed figures for monthly user activity and revenue.

It is quite easy to see the effects of the poor system performance on average hours used and on packet system time used. Note that these figures pick up again in April after the upgrade.

The projections for May through December are based on the following scenario:

The Postmaster (John Hoag) and General Projects Manager (Nancy Rhine) leave with vacation and severance pay equaling one month's salary after their last days here. I leave with two weeks vacation accrued and $10,000 in severance pay. My successor works at a $75,000 annual salary. A second technician is hired in June to work under the Technical Manager. Matisse takes a managerial role in Customer Support and another C.S. representative with technical skills is hired.

The rest of the year is planned to take the WELL to where I believe it should be now. This includes the following:

- enlarging the technical and customer support staffs
- adding a Business Manager
- completing the New Accounting Package
- adding the necessary equipment for staff expansion and system reliability
- raising our prices
- increasing customer development as a means of marketing.

New staff positions, salaries and expense items are in **Bold.** I have not included any further investment or borrowing. I have projected the needed changes to occur as soon as possible considering the staff turnover happening over the next two months. I believe these changes, at the very least, need to take place to enable the WELL to recover from the staff turnover and the current dissatisfaction on the parts of users and hosts. I am also attempting, here, to prevent further staff burnout at this critical time and in the future.

The capital budget includes a new heavy duty air conditioning system for the Sequent, an uninterruptible power supply for the host computer equipment, a windowing terminal and another workstation for the technical crew, a Sun workstation to run the accounting program, a modem management system, two new 1-gigabyte disks for the Sequent and two Macintoshes for the expanded staff.

This forecast does not assume that any new projects will be started or than any new features other than the new accounting program will be created. It does not assume a marketing program or the hiring of a Marketing Director. It does not predict that the company will move to new office/computer space this year since such a disruption might be hazardous to the business during this state of transition. It is a barebones projection for what I believe needs to take place, showing the effect on projected cash flow. It points to a cash shortfall of $68,000 in September.

This is a rough projection, but I wanted to get this out as soon as I could for you to examine and discuss.

Best Regards,

Cliff Figallo
Director

	A	E	F	G	H	I	J	K	L	M	N	O	P	Q
1														
2		Jan-92	Feb-92	Mar-92	Apr-92	May-92	Jun-92	Jul-92	Aug-92	Sep-92	Oct-92	Nov-92	Dec-92	Annual Total
3														
4	**Model Parameters**	31 days	28 days	25 days	34 days									
5	*(Italics are estimated)*	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
6	Pct actives to paying users	50.37%	49.05%	45.00%	50.08%	63.00%	63.00%	63.00%	63.00%	63.00%	63.00%	63.00%	63.00%	
7	Pct revenue from credit card	76.81%	77.39%	78.04%	76.31%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%	
8	Headcount of staff members	13	13	13	13	13	12	12	14	14	14	14	14	
9	P/R tax as % P/R	10.39%	9.46%	8.21%	7.87%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	
10	Monthly Sequent pmnt	817.69	817.69	817.69	817.69	817.69	817.69	817.69	817.69	817.69	817.69	817.69	817.69	
11	Interest on cash in the bank	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	
12	Est. corporate tax rate	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%	
13	A/R (days)	90	90	90	90	90	90	90	90	90	90	90	90	
14	A/P (days)	30	30	30	30	30	30	30	30	30	30	30	30	
15	Monthly Fees	$10.00	$10.00	$10.00	$10.00	$10.00	$10.00	$10.00	$13.00	$13.00	$13.00	$13.00	$13.00	
16	Hourly Fees	$2.00	$2.00	$2.00	$2.00	$2.00	$2.00	$2.00	$2.00	$2.00	$2.00	$2.00	$2.00	
17	Packet Fees /hour	$4.00	$4.00	$4.00	$4.00	$4.00	$4.00	$4.00	$4.00	$4.00	$4.00	$4.00	$4.00	
18	Hourly for 9600bps	$4.00	$4.00	$4.00	$4.00	$4.00	$4.00	$4.00	$4.00	$4.00	$4.00	$4.00	$4.00	
19	Disk overage per Kb	$0.02	$0.02	$0.02	$0.02	$0.02	$0.02	$0.02	$0.02	$0.02	$0.02	$0.02	$0.02	
20	Discounts given as % charges	17.35%	18.24%	20.28%	17.74%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	
21	Avg Packet Hour Use	3.24	2.85	2.30	2.70	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75	
22	Packet users as % actives	46.65%	45.61%	43.58%	46.91%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	
23	Regis. fee for Invoiced User	$25.00	$25.00	$25.00	$25.00	$25.00	$25.00	$25.00	$25.00	$25.00	$25.00	$25.00	$25.00	
24	Avg Kb disk overage	*25.00*	*25.00*	*25.00*	*25.00*	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	
25	Avg disk charge per payer	*0.25*	*0.25*	*0.25*	*0.25*	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	
26	Free hours per new user	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	
27	Price of optional manual	$10.00	$10.00	$10.00	$10.00	$10.00	$15.00	$15.00	$15.00	$15.00	$15.00	$15.00	$15.00	
28	Pct. newusers order Manual	*20.00%*	*20.00%*	*20.00%*	*20.00%*	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	
29	Avg Hours per Active Payer	4.06	3.64	3.20	4.05	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	
30	Net growth	55	170	81	140	145	150	155	160	165	170	175	180	
31														

	A	E	F	G	H	I	J	K	L	M	N	O	P	Q
1														
2		Jan-92	Feb-92	Mar-92	Apr-92	May-92	Jun-92	Jul-92	Aug-92	Sep-92	Oct-92	Nov-92	Dec-92	Annual Total
32	**Revenue**													
33	Average Active Hours/User	4.06	3.64	3.20	4.05	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	
34	Paying Users	6,009	6,253	6,440	6,428	6,573	6,723	6,878	7,038	7,203	7,373	7,548	7,728	
35	Active Users	3,027	3,067	2,898	3,219	4,141	4,235	4,333	4,434	4,538	4,645	4,755	4,869	
36	Packet Users	1,412	1,399	1,263	1,510	1,863	1,906	1,950	1,995	2,042	2,090	2,140	2,191	
37	Packet hour usage	4,575	3,989	2,899	4,072	5,124	5,241	5,362	5,487	5,616	5,748	5,885	6,025	
38	High speed usage	192	207	224	242	261	282	305	329	355	384	415	448	
39														
40														
41														
42	Monthly fees	59,740	61,994	61,873	63,780	65,730	67,230	68,780	91,494	93,639	95,849	98,124	100,464	928,696
43	Hourly fees	37,566	34,042	26,355	38,088	37,269	38,119	38,998	39,905	40,841	41,805	42,797	43,818	459,604
44	Packet fees	18,240	15,921	11,225	16,235	20,498	20,966	21,449	21,948	22,463	22,993	23,538	24,100	239,576
45	High speed lines	418	416	484	680	1,045	1,128	1,219	1,316	1,422	1,535	1,658	1,791	13,112
46	Disk storage			3,529		1,643	1,681	1,720	1,760	1,801	1,843	1,887	1,932	17,795
47	Other Revenue (Reg Fees, Manuals, Sc	4,306	5,826	1,695	6,233	6,255	6,276	6,298	6,320	6,343	6,365	6,387	6,409	68,713
48	Discounts	(21,450)	(20,606)	(26,525)	(21,100)	(26,687)	(27,325)	(27,983)	(32,885)	(33,683)	(34,505)	(35,351)	(36,221)	(344,320)
49	**Gross Revenue**	98,821	97,592	78,636	103,916	105,752	108,076	110,481	129,859	132,824	135,885	139,041	142,293	1,383,176
50														
51	**Direct Costs of Operation**													
52	Packet Services	16,568	17,794	18,349	16,288	18,448	18,869	19,304	19,753	20,216	20,693	21,185	21,690	229,158
53	Phone Services	2,058	1,330	1,101	881	899	917	1,685	1,719	1,753	1,789	1,824	1,861	17,818
54	Support Materials	1,765	2,028	1,512	8,460	2,030	2,100	2,170	2,240	2,310	2,380	2,450	2,520	31,964
55	Postage	494	693	384	1,086	1,015	1,050	1,085	1,120	1,155	1,190	1,225	1,260	11,757
56	**Total Direct Costs**	20,884	21,845	21,346	26,716	22,392	22,936	24,244	24,832	25,435	26,052	26,684	27,331	290,698
57	Percent of Gross Revenue	21.13%	22.38%	27.15%	25.71%	21.17%	21.22%	21.94%	19.12%	19.15%	19.17%	19.19%	19.21%	21.02%
58	**Gross Margin**	77,937	75,747	57,290	77,200	83,360	85,140	86,236	105,027	107,390	109,833	112,357	114,962	1,092,479
59	Percent of Gross Revenue	78.87%	77.62%	72.85%	74.28%	78.83%	78.78%	78.06%	80.88%	80.85%	80.83%	80.81%	80.79%	943.44%

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2		Jan-92	Feb-92	Mar-92	Apr-92	May-92	Jun-92	Jul-92	Aug-92	Sep-92	Oct-92	Nov-92	Dec-92	Annual Total
60	**Indirect Costs of Operation**													
61	**Personnel**													
62	Director	4,499	4,499	4,499	4,499	4,499	4,583	*14,583*						41,662
63	**New Director ($75K annual)**							**3,125**	6,250	6,250	6,250	6,250	6,250	34,375
64	**Tech. Mgr. ($50K + $10K bonus)**					**2,500**	5,000	5,000	5,000	5,000	5,000	5,000	5,000	37,500
65	System Admin	4,258	3,499	4,106	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	43,363
66	System Operator	3,000	3,000	3,000	3,000	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	40,000
67	**Business Manager ($48K annual)**								**4,000**	4,000	4,000	4,000	4,000	20,000
68	General Projects Manager	3,300	3,300	3,300	3,300	3,300	3,300	*2,475*						22,275
69	Postmaster	3,417	3,417	3,417	3,417	3,416	*3,416*							20,499
70	**Cust. Sup. & Dev. Mgr. ($40K)**								**3,333**	3,333	3,333	3,333	3,333	16,665
71	Customer Support Reps(2-3)	5,655	6,143	5,699	5,767	6,000	6,800	6,800	**8,000**	8,000	8,000	8,000	8,000	82,863
73	Conferencing Manager	1,500	1,364	1,500	2,250	1,800	3,000	3,000	3,000	3,000	3,000	3,000	3,000	29,414
74	Data Processor	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	44,100
75	Receivables Manager	2,842	2,842	2,842	3,534	3,000	3,000	3,200	3,200	3,200	3,200	3,200	3,200	37,259
76	Office Help	93	123	138	189	400	400	400	400	400	400	400	400	3,743
77	Bookkeeper	2,225	2,650	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,875
78	Payroll Taxes	3,580	3,264	2,805	2,766	4,135	4,639	5,638	5,044	5,044	5,044	5,044	5,044	52,050
79	Payroll Transfer	(136)	136											
80	Benefits	2,405	2,128	2,541	2,575	2,600	2,600	3,000	**3,500**	3,500	3,500	3,500	3,500	35,350
81		40,313	40,039	39,522	40,472	44,325	49,413	59,896	54,402	54,402	54,402	54,402	54,402	585,991
82	Percent of Gross Revenue	40.79%	41.03%	50.26%	38.95%	41.91%	45.72%	54.21%	41.89%	40.96%	40.04%	39.13%	38.23%	42.37%
83	**Computer Operations**													
84	Computer Space Rent	476	476	476	476	500	500	500	500	500	500	500	500	5,904
85	Electricity	500	500	500	500	510	519	529	539	549	560	570	581	6,358
86	Hardware (equipt & leases)	53	86	1,018	610	100	100	100	100	100	100	100	100	2,567
87	System Software				30	50	50	50	50	50	50	50	50	430
88	Modems					250	250	250	250	250	250	250	250	2,000
89	Maintenance & Repair	2,685	1,281	(869)	1,533	1,281	1,281	1,281	1,281	1,281	1,281	1,281	1,281	14,880
90	Research & training	919				500	500	500	500	500	500	500	500	4,919
91	Internet expenses		12,350	55										12,405
92	**Accounting program expenses**							**10,000**	**20,000**				**20,000**	50,000
93	Contract Support/Programming	213	1,211	1,860	725	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	20,009
94		4,846	15,905	3,039	3,874	5,191	5,200	15,210	25,220	5,231	5,241	5,252	25,263	119,471
95	Percent of Gross Revenue	4.90%	16.30%	3.87%	3.73%	4.91%	4.81%	13.77%	19.42%	3.94%	3.86%	3.78%	17.75%	101.03%
96	**Sales/Marketing**													
97	Travel & entertainment													
98	Promotional materials	1,551			88	91	2,200	100	104	107	111	115	119	4,585
99	Advertising	90	1,628	2,457	1,101	800	800	800	3,000	3,000	3,000	3,000	3,000	22,675
100	Network subscriptions	53	288	44	107	75	75	75	75	75	75	75	75	1,093
101	Miscellaneous sales expense	600		36		200	200	200	200	200	200	200	200	2,236
102		2,294	1,916	2,537	1,296	1,166	3,275	1,175	3,379	3,382	3,386	3,390	3,394	30,589
103	Percent of Gross Revenue	2.32%	1.96%	3.23%	1.25%	1.10%	3.03%	1.06%	2.60%	2.55%	2.49%	2.44%	2.39%	26.42%

	A	E	F	G	H	I	J	K	L	M	N	O	P	Q
1														
2		Jan-92	Feb-92	Mar-92	Apr-92	May-92	Jun-92	Jul-92	Aug-92	Sep-92	Oct-92	Nov-92	Dec-92	Annual Total
104	**Office**													
105	Office Rent	1,900	2,583	2,583	2,583	2,650	2,650	2,650	2,650	2,650	2,650	2,650	2,650	30,848
106	Utilities	371	325	364	284	294	304	300	311	321	333	344	356	3,908
107	Postage	363	365	512		526	1,700	550	563	576	590	604	618	6,968
108	Computer Hardware	49	196	252	353	200	200	240	200	200	200	200	200	2,490
109	Computer Software		142	350		50	50	50	50	50	50	50	50	892
110	Phones	853	761	1,644	1,433	1,983	2,053	2,125	2,199	2,276	2,356	2,438	2,523	22,645
111	Office Supplies	1,361	556	783	920	952	985	1,020	1,055	1,092	1,131	1,170	1,211	12,235
112	Temp Labor	49	41	45	45	45	45	45	45	45	45	45	45	540
113	Repairs & Maintenance	239	90	60	527	545	565	584	605	626	648	670	694	5,854
114		5,186	5,058	6,592	6,145	7,246	8,552	7,564	7,678	7,837	8,002	8,172	8,348	86,379
115	Percent of Gross Revenue	5.25%	5.18%	8.38%	5.91%	6.85%	7.91%	6.85%	5.91%	5.90%	5.89%	5.88%	5.87%	75.78%
116	**Customer Support**													
117	Customer Support Programmer	930	870	930	1,100	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	15,830
118	Miscellaneous Customer Supp													
119		930	870	930	1,100	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	15,830
120	Percent of Gross Revenue	0.94%	0.89%	1.18%	1.06%	1.42%	1.39%	1.36%	1.16%	1.13%	1.10%	1.08%	1.05%	13.76%
121	**General & Administrative**													
122	Insurance	260	191	194	195	400	400	400	400	400	400	400	400	4,041
123	Depreciation	3,979	3,729	5,413	6,567	6,653	6,653	6,703	6,902	7,250	7,582	7,582	7,582	76,596
124	Bad Debts (Est. 3% Revenue)	11,658	7,970		3,706	3,173	3,242	3,314	3,896	3,985	4,077	4,171	4,269	53,460
125	Outside Professional Services	3,175	1,880	1,200	2,700	1,000	2,000	1,000	1,000	1,000	2,000	1,000	1,000	18,955
126	Licenses, Fees, Taxes, Memberships	15		21			1,800							1,836
127	Bank Fees	2,086	1,978	2,196	2,638	2,147	2,194	2,243	2,636	2,696	2,758	2,823	2,889	29,285
128	Meals and Entertainment	287	121	207	274	250	250	250	250	250	250	250	250	2,890
129	Travel G & A		706	463	616	400	400	400	400	400	400	400	400	4,985
130	Miscellaneous	68	477	339	207	214	221	229	237	245	254	263	272	3,028
131	Non-taxable Donations	15	50	20		25	25	25	25	25	25	25	25	285
132	Board-related Expenses	20	1,281		1,306			1,400			1,400			5,406
133		21,564	18,384	10,054	18,209	14,261	17,185	15,964	15,746	16,252	19,147	16,914	17,087	200,767
134	Percent of Gross Revenue	21.82%	18.84%	12.79%	17.52%	13.49%	15.90%	14.45%	12.13%	12.24%	14.09%	12.16%	12.01%	177.43%
135														
136	**Total Indirect Costs**	75,132	82,171	62,674	71,095	73,689	85,126	101,310	107,925	88,604	91,677	89,630	109,994	1,039,027
137	Percent of Gross Revenue	76.03%	84.20%	79.70%	68.42%	69.68%	78.77%	91.70%	83.11%	66.71%	67.47%	64.46%	77.30%	907.54%
138	**Total Costs**	96,016	104,017	84,020	97,811	96,081	108,062	125,554	132,757	114,039	117,729	116,314	137,324	1,329,724
139	Percent of Gross Revenue	97.16%	106.58%	106.85%	94.13%	90.85%	99.99%	113.64%	102.23%	85.86%	86.64%	83.65%	96.51%	1164.09%
140	**Earnings Before Interest & Ta**	2,805	(6,424)	(5,384)	6,105	9,672	14	(15,073)	(2,898)	18,786	18,156	22,727	4,969	53,452
141	Percent of Gross Revenue	2.84%	-6.58%	-6.85%	5.87%	9.15%	0.01%	-13.64%	-2.23%	14.14%	13.36%	16.35%	3.49%	35.91%

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1														
2		Jan-92	Feb-92	Mar-92	Apr-92	May-92	Jun-92	Jul-92	Aug-92	Sep-92	Oct-92	Nov-92	Dec-92	Annual Total
142														
143	**Interest Income (Expense)**													
144	Interest rec'd from cash in bank	89	74	84	79	321	41	35	(99)	(323)	(345)	(261)	(170)	(476)
145	Loan interest paid	(333)	(310)	(277)	(282)	(625)	(480)	(454)	(433)	(409)	(384)	(361)	(336)	(4,684)
146		(244)	(236)	(193)	(203)	(304)	(439)	(419)	(532)	(733)	(728)	(623)	(506)	(5,159)
147														
148	**Earnings Before Taxes**	2,561	(6,660)	(5,577)	5,902	9,367	(426)	(15,492)	(3,430)	18,053	17,427	22,104	4,463	48,292
149														
150	Corporate taxes				2,243	3,560	(162)	(5,887)	(1,303)	6,860	6,622	8,400	1,696	22,028
151	Earnings	2,561	(6,660)	(5,577)	3,659	5,808	(264)	(9,605)	(2,127)	11,193	10,805	13,705	2,767	26,264
152	Dividends													
153	**Net Earnings**	2,561	(6,660)	(5,577)	3,659	5,808	(264)	(9,605)	(2,127)	11,193	10,805	13,705	2,767	26,264
154	**Capital Budget**	PC's	MdmMgr/SUN	Upgrade	Upgrade		A/C & Termnl	Mdm.Mgr/NeXT	Wkstn/UPS	Disks/PCs				
155	Sequent expansion		16,639	53,746	4,911					16,000				91,296
156	**Accounting program equipment**								**15,000**					15,000
157	Modems			1,100				5,000						6,100
158	Office equipment	4,266	223		253		**3,000**	**7,000**		4,000				18,742
159	Other			1,741			**5,000**		**6,000**					12,741
160	**TOTAL CAPITAL BUDGET**	4,266	16,862	56,587	5,164		3,000	12,000	21,000	20,000				138,880
161														
162														

	A	E	F	G	H	I	J	K	L	M	N	O	P	Q
1														
2		Jan-92	Feb-92	Mar-92	Apr-92	May-92	Jun-92	Jul-92	Aug-92	Sep-92	Oct-92	Nov-92	Dec-92	Annual Total
163	**BALANCE SHEET**													
164		Jan-92	Feb-92	Mar-92	Apr-92	May-92	Jun-92	Jul-92	Aug-92	Sep-92	Oct-92	Nov-92	Dec-92	
165	**Short Term Assets**													
166	Cash in bank	37,426	44,208	(3,276)	64,206	8,194	7,016	(19,720)	(64,684)	(68,950)	(52,289)	(33,930)	(32,000)	
167	Accounts receivable	30,222	33,897	25,165	29,270	32,902	36,725	40,641	49,381	54,107	58,949	63,909	68,991	
168	Credit card vouchers	79,853	76,958	72,108	88,490	79,314	81,057	82,861	97,394	99,618	101,914	104,281	106,720	
169	Other	34,882	7,999	7,860	7,860	7,860	7,860	7,860	7,860	7,860	7,860	7,860	7,860	
170		182,383	163,063	101,858	189,827	128,271	132,658	111,641	89,951	92,636	116,434	142,120	151,571	
171	**Long Term Assets**													
172	P & E	255,211	272,074	329,379	336,285	336,285	339,285	351,285	372,285	392,285	392,285	392,285	392,285	
173	Accumulated depreciation	(140,098)	(143,827)	(149,241)	(155,808)	(162,460)	(169,113)	(175,816)	(182,718)	(189,968)	(197,551)	(205,133)	(212,715)	
174		115,113	128,246	180,139	180,478	173,825	170,172	175,469	189,568	202,317	194,735	187,152	179,570	
175														
176														
177		297,496	291,309	281,997	370,305	302,096	302,830	287,111	279,519	294,953	311,169	329,272	331,141	
178														
179	**Short Term Liabilities**													
180	Prepaid usage	281	856	2,356	3,956	3,456	2,956	2,456	1,956	1,456	956	456	(44)	
181	Accounts payable	47,039	48,500	52,333	86,680	25,721	27,439	29,439	29,104	29,727	31,767	31,026	31,702	
182	Sequent loan (current period)	9,100	9,100	9,100	9,100	7,500	7,500	6,762	6,018	5,266	4,502	3,731	2,950	
183	R-S/Bank loans (current)	8,200	8,200	8,200	41,533	24,875	24,875	24,875	24,875	24,875	24,875	24,875	24,875	
184	Payroll taxes payable	1,470	1,285	1,476	(716)	4,135	4,639	5,638	5,044	5,044	5,044	5,044	5,044	
185	Corporate taxes payable	(33)	(33)	(7,900)	(7,900)	(4,340)	(4,502)	(10,389)	(11,693)	(4,832)	1,790	10,190	11,886	
186		66,057	67,908	65,565	132,654	61,347	62,907	58,782	55,306	61,536	68,935	75,322	76,414	
187	**Long Term Liabilities**													
188	R-S/Bank loans (LT)	14,373	13,689	13,005	28,987	26,999	25,010	23,021	21,032	19,043	17,054	15,065	13,076	
189	Sequent loan	1,405	712	4	(706)	(1,427)								
190		15,778	14,401	13,009	28,282	25,572	25,010	23,021	21,032	19,043	17,054	15,065	13,076	
191														
192	**Stockholders Equity**													
193	Common Stockholders	72,990	72,990	72,990	72,990	72,990	72,990	72,990	72,990	72,990	72,990	72,990	72,990	
194	Retained earnings	140,110	140,110	140,110	140,110	140,110	140,110	140,110	140,110	140,110	140,110	140,110	140,110	
195	Current Period Earnings	2,561	(4,099)	(9,676)	(3,730)	2,078	1,814	(7,792)	(9,918)	1,275	12,080	25,785	28,552	
196		215,660	209,000	203,423	209,369	215,177	214,913	205,308	203,182	214,374	225,179	238,884	241,651	
197														
198														
199		297,496	291,309	281,997	370,305	302,096	302,830	287,111	279,519	294,953	311,169	329,272	331,141	
200														
201														

	A	E	F	G	H	I	J	K	L	M	N	O	P	Q
1														
2		Jan-92	Feb-92	Mar-92	Apr-92	May-92	Jun-92	Jul-92	Aug-92	Sep-92	Oct-92	Nov-92	Dec-92	Annual Total
202	**CASH FLOW ANALYSIS**													
203		Jan-92	Feb-92	Mar-92	Apr-92	May-92	Jun-92	Jul-92	Aug-92	Sep-92	Oct-92	Nov-92	Dec-92	
204	**Net Earnings**	2,561	(6,660)	(5,577)	3,659	5,808	(264)	(9,605)	(2,127)	11,193	10,805	13,705	2,767	26,264
205	**Sub: Non-Income Cash Uses**													
206	New plant and equipment	2,639	(16,862)	(57,306)	(6,906)		(3,000)	(12,000)	(21,000)	(20,000)				(134,435)
207	**Add: Non-Cash Expenses**													
208	Depreciation	50,839	3,729	5,413	6,567	6,653	6,653	6,703	6,902	7,250	7,582	7,582	7,582	123,456
209	**Add: Increases in Liabilities**													
210	Short Term	(24,807)	1,850	(2,342)	67,089	(71,307)	1,560	(4,125)	(3,476)	6,230	7,399	6,387	1,091	(14,451)
211	Long Term & Common Stock	(2,979)	(1,377)	(1,393)	15,273	(2,710)	(562)	(1,989)	(1,989)	(1,989)	(1,989)	(1,989)	(1,989)	(5,680)
212	**Sub: Increases in Non-Cash Assets**													
213	Accounts receivable	668	26,103	13,720	(20,487)	5,544	(5,566)	(5,719)	(23,274)	(6,950)	(7,137)	(7,327)	(7,521)	(37,945)
214	Credit card vouchers													
215														
216	**Net Cash Flow**	28,922	6,783	(47,485)	65,195	(56,012)	(1,179)	(26,736)	(44,964)	(4,266)	16,661	18,358	1,931	(42,791)
217														
218	**Cash Balance**	37,426	44,208	(3,276)	64,206	8,194	7,016	(19,720)	(64,684)	(68,950)	(52,289)	(33,930)	(32,000)	